

Petroleum Storage Tank Spill Prevention Standards Review	FY2003 Request:	\$50,000
	Reference No:	35821

AP/AL: Appropriation Category: Health/Safety Location: Statewide Election District: Statewide Estimated Project Dates: 07/01/2002 - 06/30/2007	Project Type: Health and Safety Contact: Larry Dietrick Contact Phone: (907)465-5250
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Brief Summary and Statement of Need:

This project provides funding for a technical review and determination of the applicability of the American Petroleum Institute (API) standards for oil storage tank inspection and new tank construction to Alaska conditions. Other jurisdictions have determined that some aspects of these industry standards, such as the use of cathodic protection and linings, require modification or are not applicable to local conditions. A review of the API literature is necessary to ensure that Alaska regulations reference the correct industry standards, enhancing the prevention of oil storage tank spills.

Funding:

	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	Total
Oil/Haz Fd	\$50,000						\$50,000
Total:	\$50,000	\$0	\$0	\$0	\$0	\$0	\$50,000

<input type="checkbox"/> State Match Required	<input checked="" type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased Project	<input type="checkbox"/> On-Going Project
0% = Minimum State Match % Required	<input type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Total Operating Impact:	0	0
One-Time Startup Costs:	0	
Additional Estimated Annual O&M:	0	0

Prior Funding History / Additional Information:

No prior funding.

Petroleum Storage Tank Spill Prevention Standards Review - \$50,000

This project funds a technical review of applicable American Petroleum Institute (API) Standards relating to petroleum storage tank construction, inspection, and spill prevention. API standards are referenced in 18 AAC 75, Article 1, as spill prevention requirements and recommended practices that must be followed by all facilities that require a state-approved oil discharge prevention and contingency plan.

Regulations in 18 AAC 75 Article 1 became effective in 1992, and referenced the API standards that were in place at the time they were drafted. The current regulations cite API standards from 1988, 1991 and 1992. API has issued several major revisions to these standards over the past ten years. The fact that state regulations mandate inspection techniques which are up to 10 years out of date is a constant source of frustration for both industry and private inspectors, and does not allow the department to take advantage of improvements in the current standards. DEC has allowed for case-by-case waivers, but formal adoption of current standards is the most advantageous solution.

The department has been advised by the Attorney General's Office that an expert review is needed prior to updating regulations to include the new standards. A comprehensive technical review of the standards will determine if they are consistent with Alaska law and applicable to Alaska facilities and environmental conditions. The department intends to contract with subject matter experts for the technical review of current API Standards 650, 651, 652 and 653, previous versions of which are referenced in 18 AAC 75.065. Subject matter experts will also review recommended practices listed in 18 AAC 75.090, and update, remove or replace this list as applicable to meeting the requirements of 18 AAC 75.005 - 18 AAC 75.080. Upon receipt of the report regarding recommended changes, the department, in consultation with Department of Law, will prepare a public review draft of proposed revisions to existing regulations and proceed with the rulemaking process.